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DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-923]

Raw Flexible Magnets from the People's Republic of China: Final Results of Expedited Sunset Review

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: On August 1, 2013, the Department of Commerce (“the Department”) initiated a sunset review of the countervailing duty (“CVD”) order on raw flexible magnets (“RFM”) from the People’s Republic of China (“PRC”) pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”). On the basis of a notice of intent to participate and an adequate substantive response filed on behalf of the domestic interested parties and an inadequate response from respondent interested parties (in this case, no response), the Department conducted an expedited sunset review of this CVD order pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B). As a result of this sunset review, the Department finds that revocation of the CVD order would be likely to lead to continuation or recurrence of a countervailable subsidy at the level indicated in the “Final Results of Review” section of this notice.

DATES: EFFECTIVE DATE: [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: Kristen Johnson, Office III, AD/CVD

Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4793.

SUPPLEMENTARY INFORMATION:

Background

On August 1, 2013, the Department initiated a sunset review of the CVD order on RFP from the PRC pursuant to section 751(c) of the Act.¹ The Department received a notice of intent to participate in the review on behalf of Magnum Magnetism Corporation of Marietta, Ohio (“Magnum Magnetism”) within the deadline specified in 19 CFR 351.218(d)(1)(i). Magnum Magnetism claimed interested party status under section 771(9)(C) of the Act, as a domestic producer of the domestic like product.

The Department received adequate substantive responses collectively from Magnum Magnetism within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). The Department did not receive a substantive response from any government or respondent interested party to the proceeding. Because the Department received no response from the respondent interested parties, the Department conducted an expedited review of this CVD order, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2).

Scope of the Order

The products covered by this order are certain flexible magnets regardless of shape,² color, or packaging.³ Subject flexible magnets are bonded magnets composed (not necessarily exclusively) of (i) any one or combination of various flexible binders (such as polymers or copolymers, or rubber) and (ii) a magnetic element, which may consist of a ferrite permanent magnet material (commonly, strontium or barium ferrite, or a combination of the two), a metal

¹ See *Initiation of Five-Year (“Sunset”) Review*, 78 FR 46575 (August 1, 2013).

² The term “shape” includes, but is not limited to profiles, which are flexible magnets with a non-rectangular cross-section.

³ Packaging includes retail or specialty packaging such as digital printer cartridges.

alloy (such as NdFeB or Alnico), any combination of the foregoing with each other or any other material, or any other material capable of being permanently magnetized.

Subject flexible magnets may be in either magnetized or unmagnetized (including demagnetized) condition, and may or may not be fully or partially laminated or fully or partially bonded with paper, plastic, or other material, of any composition and/or color. Subject flexible magnets may be uncoated or may be coated with an adhesive or any other coating or combination of coatings.

Specifically excluded from the scope of this order are printed flexible magnets, defined as flexible magnets (including individual magnets) that are laminated or bonded with paper, plastic, or other material if such paper, plastic, or other material bears printed text and/or images, including but not limited to business cards, calendars, poetry, sports event schedules, business promotions, decorative motifs, and the like. This exclusion does not apply to such printed flexible magnets if the printing concerned consists of only the following: A trade mark or trade name; country of origin; border, stripes, or lines; any printing that is removed in the course of cutting and/or printing magnets for retail sale or other disposition from the flexible magnet; manufacturing or use instructions (*e.g.*, “print this side up,” “this side up,” “lamine here”); printing on adhesive backing (that is, material to be removed in order to expose adhesive for use such as application of laminate) or on any other covering that is removed from the flexible magnet prior or subsequent to final printing and before use; non-permanent printing (that is, printing in a medium that facilitates easy removal, permitting the flexible magnet to be re-printed); printing on the back (magnetic) side; or any combination of the above.

All products meeting the physical description of subject merchandise that are not specifically excluded are within the scope of this order. The products covered by the order are

currently classifiable principally under subheadings 8505.19.10 and 8505.19.20 of the Harmonized Tariff Schedule of the United States (“HTSUS”). The HTSUS subheadings are provided only for convenience and customs purposes; the written description of the scope of this order is dispositive. For a full description of the scope, *see* “Issues and Decision Memorandum for the Final Results of Expedited Sunset Review of the Countervailing Duty Order on Raw Flexible Magnets from the People’s Republic of China” from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, dated concurrently with this final notice, and hereby adopted by this notice (“Issues and Decision Memorandum”).

Analysis of Comments Received

All issues raised in this review are addressed in the Issues and Decision Memorandum. The issues discussed in the Issues and Decision Memorandum include the likelihood of continuation or recurrence of a countervailable subsidy and the net countervailable subsidy likely to prevail if the order were revoked. Parties can find a complete discussion of all issues raised in this expedited sunset review and the corresponding recommendations in this public memorandum which is on file electronically via the Import Administration Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.ita.doc.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Final Results of Review

We determine that revocation of the CVD order on RFM from the PRC would be likely to lead to continuation or recurrence of a countervailable subsidy at the rates listed below:

Producers/Exporters	Net Countervailable Subsidy (percent)
China Ningbo Cixi Import Export Corporation	109.95 percent <i>ad valorem</i>
Polyflex Magnets Ltd.	109.95 percent <i>ad valorem</i>
All Others	109.95 percent <i>ad valorem</i>

Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (“APO”) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing the results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: December 16, 2013.

Ronald K. Lorentzen,
Acting Assistant Secretary
for Enforcement and Compliance.

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